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July 24, 2023

Honorable Kiyo A. Matsumoto
United States District Court, Judge
Eastern District of New York
225 Cadman Plaza East
Brooklyn, NY 11202

Re: **1567 56th Street, LLC et al v. Spitzer et al, 1:22-cv-04873-KAM-RML**

Honorable Judge Matsumoto:

We represent Plaintiffs 1567 56TH Street, LLC, 1569 56TH Street, LLC, and Shlomo Braun.

On June 26, 2023, Defendant PS Funding, Inc. and its affiliate entities filed for bankruptcy in the United States Bankruptcy Court for the District of Delaware. On June 29, 2023, the Defendant PS Funding, Inc. informed the Court of that fact. The same the day, the Court entered an order: "In light of [52] Notice of Bankruptcy Filing, this action is stayed as to Defendant PS Funding, Inc. only."

On July 18, 2023, the Plaintiffs asked the Court to reconsider the Court's order, dated July 14, 2023, denying a conference to review the impact of the bankruptcy stay on the balance of this case. On July 17, 2023, the Court ordered the Defendants to reply to Plaintiffs letter motion by July 19, 2023. As that did not happen, on July 20, 2023, the Court ordered Defendants to reply by July 21, 2023. The Defendants replied that they jointly request a conference to review the impact of the bankruptcy stay on the balance of this case.

Conterminously, there is an ongoing schedule on the pre-answer motions to dismiss by the nonbankrupt Defendants. The date for today to file the opposition was scheduled prior to PS Funding seeking bankruptcy protection.

As Plaintiffs have explained in its letter dated July 17, 2023 (ECF 54), Plaintiffs have a genuine fear that the Defendant PS Funding would assert in the bankruptcy court that, by the mere prosecution the fraud alleged in this action, Plaintiffs are violating the bankruptcy stay. Plaintiffs are eager to move this case forward, but we cannot do so at risk of violating the law.

Wherefore, Plaintiffs request that the Court toll the date to file opposition to the pre-answer motions until the Court has the opportunity to decide the parties request to review the impact of the bankruptcy stay on the balance of this case.

Respectfully submitted,

By: / s / Levi Huebner
